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## Vietnam

### Trade Policy Monitoring

## Vietnam 2004 Import-Quota 2004

**Approved by:**

Henry Schmick  
U.S. Embassy

**Prepared by:**

Bui Thi Huong

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**Report Highlights:** The Government of Vietnam intends to establish tariff-rate quotas (TRQs) on seven key import commodity groups -- milk, concentrated milk, eggs, corn, tobacco, salt, and cotton. To date, only the tobacco and salt in-quota amounts have been announced. The in-quota quantities for the other commodity groups and the over-quota tariffs are to be established sometime later in 2004.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Hanoi [VM1]  
[VM]

## Vietnam's 2004 Import Quotas

On Dec. 15, 2003 the Ministry of Trade (MOT) issued a circular (No. 09/2003/TT-BTM) to guide implementation of the Government's Decree No. 91/2003 establishing tariff-rate quotas (TRQs) on several agricultural commodities. According to the circular, Vietnam was to establish TRQs for the seven (7) commodity groups listed in Table 1 (below) with an effective date of January 1, 2004.

However, as of January 5, 2004, the only in-quota amounts (quantities allowed to enter under a low tariff) identified are for tobacco and salt. The in-quota quantities for the other commodities have not been announced.

Until trade exceeds certain unspecified levels, the MOT will grant import permission for companies to import milk, eggs, corn and cotton without any restrictions. The ministry may establish TRQs for those commodity groups at any time in 2004. However, the MOT has said it will provide three months of advance notice before imposing any restrictions.

For 2004, the MOT set import quotas of 22,379 mt for tobacco and 200,000 mt for salt. The current preferential import tariffs rates charged on tobacco and salt range from 15% to 30%.

## Over-quota Tariffs

As specified in Vietnam's National Assembly's Decision No. 399/2003/NQ-UBTVQH11 (dated June 19, 2003), the over-quota tariffs on tobacco will be between 50% to 100%, while over-quota tariffs on salt will be from 30% to 60%. The MOT has asked the Ministry of Finance (MOF) to set the over-quota tariffs (based on the ranges established by the National Assembly). To date, the MOF has not announced the final over-quota tariffs for tobacco and salt (nor for any of the other commodities).

**Table 1: Vietnam's 2004 Import Tariff-Rate Quotas**

No.	Code	Description	Quantity	Current Pre. rate (%)	Over-Quota rate (%)
1	0410	Milk or cream, not concentrated nor containing sweetening added sugar or other sweetening matter	Up to importers's requirements	20	n/a
2	0402	Milk or cream, concentrated or containing added sugar or other sweetening matter	Up to importers's requirements	10-15-30	n/a
3	0407	Birds eggs, in shell, fresh, preserved or cooked	Up to importers's requirements	0-40	n/a
4	1005	Corn	Up to importers's requirements	7	n/a
5	2401	Un-manufactured tobacco, tobacco refuse (mt)	22,379	15-30	50-100
6	2501	Salt (mt)	200,000	15-30	30-60
7	5201 5202	Cotton, not carded or combed Cotton, waste (including yarn waste and garmetted stock.	Up to importers's requirements	0 10	n/a n/a

	5203	Cotton, carded or combed		0	n/a
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**Sources:** Vietnam's Preferential Import Tariffs (Decision No.110/2003/QD-BTC) dated July 15, 2003 / Vietnam National Assembly Decree No.399/2003 NQ-UBTVQH11 dated June 19, 2003 / Ministry of Trade Circular No.09/2003/TT-BTM dated December 15, 2003